



Conflicts of Interest Policy

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Contents

| | |
|---|---|
| 1. Purpose | 3 |
| 2. Scope and Applicability | 3 |
| 3. What is a Conflict of Interest | 3 |
| 4. Identifying Conflicts of Interest | 3 |
| 5. Managing and Prevention of Conflicts of Interest | 4 |
| 6. Disclosure Obligation | 6 |
| 7. Declining to Act | 7 |
| 8. Policy Monitoring and Review | 7 |

1. Purpose

R.J. O'Brien Limited and R.J. O'Brien (UK) Limited (together "RJO") have a guiding principle of integrity, which is central and paramount to its client relationships. RJO is committed, when providing services, to always act in the best interest of its clients and to put clients' interests ahead of its own.

This Conflicts of Interest Policy (the "Policy") establishes the minimum standards to ensure that RJO's clients are treated fairly, honestly and professionally at all times and for RJO to take **all appropriate steps** to identify and to prevent or manage conflicts of interest both between RJO and its clients and between a client and another client.

2. Scope and Applicability

This Policy covers all of RJO UK operations, including:

- R.J. O'Brien Limited; and
- R.J. O'Brien (UK) Limited.

All relevant RJO staff have a requirement to take **all appropriate steps** to the identification, prevention and management of any conflicts of interest.

3. What is a Conflict of Interest?

A conflict of interest is a conflict that arises, or may arise, in the course of RJO providing services to its clients which may favour or benefit RJO (including its managers, employees, appointed representatives or any person directly or indirectly linked to RJO by control, together a "relevant person") and a client of RJO or a client's interest over another client's interest.

A conflict of interest may arise in the following circumstances where RJO or a relevant person:

- Is likely to make a financial gain or avoid a financial loss at the expense of its client;
- Has an interest in the outcome of the service provided to its client, which is different from the client's interest in that outcome;
- Has a financial or other incentive to favour the interests of one client or group of clients over the interests of another client;
- Carries on the same business as a client;
- Receives or will receive an inducement from a third party in relation to a service provided to a client, in the form of monetary or non-monetary benefits or services; or
- Is in possession of information obtained in the ordinary course of its business which would benefit the individual, RJO affiliate or a client, but such information is not publicly known.

4. Identifying Conflicts of Interest

RJO will **take all appropriate steps** to identify, manage or where necessary prevent actual and/or potential conflicts of interest. All staff are required to identify and escalate any identified conflicts of interest in accordance with this Policy.

Types of Conflicts of Interest

RJO does not provide corporate finance, portfolio management, investment research, investment advice, personal recommendations or conduct proprietary trading.

However, RJO has identified the following types of conflicts that are related to the services that it provides:

- **Client v Client** - between clients with competing interests;
- **Client v Employee** - between the clients and personal interests of staff of RJO that may be different;
- **Client v Firm** - between clients and RJO where their respective interests with a particular outcome may be different;
- **Client v Third Party Provider** - between the clients and a third party service provider whose commercial interests may be different;
- **Employee v Employee** – between the personal interests of staff of RJO or business units with competing interests;
- **Employee v Firm** - between the personal interests of staff of RJO and RJO where their respective interests with a particular outcome may be different;
- **Employee v Third Party Provider** - between the personal interests of staff of RJO and third party service provider commercial interests that may be different;
- **Firm v Firm** - those between RJO and any other company within the RJO Group with competing interests;
- **Firm v Third Party Provider** - between RJO and third party service provider whose commercial interests may be different; and
- **Third Party Provider v Third Party Provider** - between third party service providers with competing interests.

RJO maintains a Conflicts Register detailing the specific conflicts that have been identified per business area relating to the above types of conflicts of interest and which sets out the procedures to be followed and measures to be adopted in order to prevent or manage such conflicts.

5. Managing and Preventing Conflicts of Interest

RJO has implemented robust policies and procedures to manage and where necessary prevent conflicts of interests. These policies and processes include:

Outside Business Interests

A conflict of interest may arise in respect of outside business interests (“OBIs”) that may affect the abilities of the RJO employee to perform their role or to fulfil the obligations of RJO.

OBIs must be declared upon joining RJO and as and when a change occurs.

Personal Relationships

A conflict of interest may arise in respect of personal relationships between the RJO employee and individuals or entities within the industry or connected to RJO.

Personal relationships must be declared upon joining RJO and as and when a change occurs.

Personal Account Dealing

A conflict of interest may arise as a result of personal trading activities of RJO employees.

RJO has implemented notification and approval processes designed to ensure that an individual's trading decisions are not related to the role they perform or based on information obtained during the course of business with clients.

Inducements

An inducement is a payment or non-monetary which is given or received.

(a) Gifts and Entertainment

Conflict of interests may arise when giving or receiving an inappropriate gift or entertainment.

RJO employees must determine whether a gift or entertainment is appropriate and must consider the following factors:

- is designed to enhance the quality of the service to the client;
- could infringe the duty of the RJO employee to act in the best interests of the client;
- could adversely affect the clients' interests; and
- does not encourage the recipient to act improperly.

Clear parameters have been established for staff to provide and accept gifts and entertainment whereby those over nominal amounts must be pre-approved and logged.

(b) Remuneration

Conflicts of interest may arise when an RJO employee is incentivised, i.e. commission, which conflicts with the RJO's risk appetite and the interests of its clients.

RJO maintains a Remuneration Policy encouraging responsible business conduct and the fair treatment of clients and to discourage risk taking.

(c) Payment for Order Flow

Conflicts of interest arise when the RJO employee or RJO enters into the practice of Payment for Order Flow ("PFOF"). PFOF is the arrangement whereby a broker receives a commission or fee from market makers in exchange for sending order flow from RJO's client to them.

RJO prevents this conflict of interest from arising as the firm will not charge market makers a commission or fee when executing orders on behalf of its clients. This applies to Eligible Counterparty clients as well as Professional clients.

(d) Bribes

RJO has zero tolerance to bribery and corruption.

RJO has an Anti-Bribery & Corruption Policy and provides annual training to deter RJO employees from providing or accepting a bribe, entering into misconduct and unscrupulous behaviour.

Integrity and Conduct

RJO sets high standards of integrity and conduct. RJO employees are required to ensure clients are treated fairly, honestly and professionally at all times. A conflict can occur if an RJO employee uses

their professional positions to acquire a personal benefit or the benefit of another person, or to cause detriment to RJO or its clients.

RJO provides induction training to all new employees conveying the individual's responsibilities. An ongoing training programme reiterates to RJO's employees the requirements and responsibilities to its clients.

Order Handling

Conflicts of interest can arise as a result of preferential treatment of certain clients.

To ensure that RJO clients are treated fairly, all orders are required to be handled in accordance with RJO's execution and best execution policies. Further information can be found in the Order Execution Policy and Procedures including the Best Execution Policy.

The Best Execution Policy requires that RJO employees take all sufficient steps to achieve the best overall result for its clients and identifies the relevant factors for consideration in this context.

Client Confidentiality

RJO employees must adhere to confidentiality rules and must maintain their clients' anonymity at all times. Market colour may be provided to clients as long as the information is generic and it is not possible to identify a client and/or its trading activity from the information provided.

Any requests by clients for specific information on other clients will be refused.

Information Barriers/Segregation

Conflicts of interest may arise from the proximity of RJO's business areas whereby information becomes available to individuals who may benefit.

RJO has adequate information barriers and segregation, Chinese walls and information barriers, in place to restrict and prevent the access to confidential information.

Third Party Service Providers

Conflicts of interest may arise as a result of the use of third party service providers whereby information acquired in the course of a relationship could lead to a commercial advantage for RJO or the third party.

Service Level Agreements are required to be put in place by RJO to govern the relationship between it and a third party service provider which will contain appropriate provisions in respect of confidentiality and conflicts of interest.

6. Disclosure Obligations

As a last resort and in situations where RJO has no other means of managing a conflict or the controls in place are not deemed sufficient to protect the interests of its clients, the conflict of interest will be disclosed to the clients for the client to take an informed decision as to whether they wish to continue doing business with RJO in that particular circumstance. These disclosure will be provided prior to entering into a relationship and conducting business on behalf of the client.

7. Declining to Act

Situations may arise where it is not possible to manage a conflict of interest and it is deemed in the best interest of the clients for RJO to decline to act on the client's instruction.

8. Policy Monitoring and Review

RJO will monitor and assess the effectiveness and adherence to this Policy. Any required amendments will be applied as soon as practically possible.

RJO's risk-based ongoing monitoring programme includes the monitoring of all identified conflicts and identifying any potential conflicts. The monitoring includes, but is not limited to:

- Reviewing market maker payments for potential PFOF;
- Review of Personal Account dealing;
- Review of gifts and entertainments given and received; and
- Communications monitoring to review adherence to client confidentiality.

Any Policy breaches will be reported to the Director, Compliance.

This policy will be reviewed on an annual basis or as when material changes occur.